



Dianne M. Triplett
DEPUTY GENERAL COUNSEL
Duke Energy Florida, LLC

October 8, 2018

VIA ELECTRONIC DELIVERY

Ms. Carlotta Stauffer, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: *Petition to initiate rulemaking to revise and amend portions of Rule 25-6.0426,*
F.A.C.: Docket 20180143-EI

Dear Ms. Stauffer:

Please find enclosed for electronic filing, Duke Energy Florida, LLC's ("DEF")
Response to Staff's Data Request (Nos. 1-9).

Thank you for your assistance in this matter. If you have any questions concerning this
filing, please feel free to contact me at (727) 820-4692.

Sincerely,

/s/ Dianne M. Triplett

Dianne M. Triplett

DMT/cmck
Enclosure

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail to the following this 8th day of October, 2018.

/s/ Dianne M. Triplett

Attorney

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**DUKE ENERGY FLORIDA, LLC'S, RESPONSE TO STAFF'S DATA REQUEST
(NOS. 1-9) REGARDING THE PETITION TO INITIATE RULEMAKING
TO REVISE AND AMEND PORTIONS OF RULE 25-6.0426, F.A.C.,
BY FLORIDA POWER & LIGHT COMPANY, et al.**

DOCKET NO. 20180143-EI

1. *What economic development programs does DEF offer at this time?*

RESPONSE:

- Product Development (Site Readiness & Strategic Sites Inventory)
- Community/Regional/State EDO Investments
- ED Rider
- Duke Energy Foundation

DEF notes that the Duke Energy Foundation program is funded by shareholder dollars.

2. *Please explain the details of the economic development programs currently offered by the company.*

RESPONSE:

- **Product Development (Site Readiness & Strategic Sites Inventory)** – Decision makers often cite available and ready properties as one of the top requirements in their relocation and expansion decisions. DEF's Site Readiness program began in Florida in 2012. The program is intended to identify, assess, improve and increase awareness of industrial sites in the DEF service territory. Site Readiness results in more competitive sites that help our communities attract new jobs and capital investment. It is not a "site certification" process, but rather a program to help local economic development organizations find and prepare potential sites.

DEF focuses on the identification of optimal raw land sites well suited for light and heavy industrial development through the Strategic Sites Inventory (SSI) Program in partnership with a geospatial consulting firm. This is a feeder program for DEF's Site Readiness Program and similar programs around the state. The program considers transportation and energy infrastructure, cultural and community impacts, wetlands impacts and environmental permitting considerations as well as site configuration and parcel assembly. DEF and many communities have made additional investments to further the development of product in the state through SSI.

- **Community/Regional/State EDO Investments** – DEF supports programs, initiatives, marketing, strategic plans and operations of our state, regional and local economic development partners and organizations in Florida.

- **ED Rider** – DEF has many rate options including a program providing a five year declining discount to the standard electric rate for eligible economic development customers. DEF recognizes the complex nature of project location decisions and values the economic impact that these projects have within the community.
- **Duke Energy Foundation** - The Duke Energy Foundation actively works to strengthen the quality of life in the communities we serve. DEF funds programs that support DEF's philanthropic strategies for 501(c)(3) not for profit and governmental organizations. Foundation dollars focused on economic development are committed to organizations throughout Florida on an annual basis.

3. *How much economic development money is spent for the company's current economic development programs, how many participants are in each program, how many jobs have been added by these new customers, and what are the annual revenues for each economic development participant customer for 2016, 2017, and 2018 to date?*

RESPONSE:

The following amounts were spent on economic development and recorded in operating income:

2016: \$770,615
 2017: \$818,504
 YTD August 2018: \$665,438

Further, DEF contributes \$200,000 annually to the Duke Energy Foundation to support economic development organizations and records this amount in non-operating income.

Program Results

Year over year, DEF's economic and product development investments result in considerable economic impact to the communities we serve.

2016: DEF and its partners successfully established 16 projects that generated 3,972 new jobs and \$231.1 million in capital investment. This resulted in \$5.84 million in annually recurring net new revenue for DEF.

2017: DEF's efforts supported 13 project announcements resulting in 1,581 new jobs, \$129.4 million in capital investment and \$5.91 million in revenue.

2018: Year to date, DEF has completed 11 projects that will create 1,409 jobs, \$451.8 million in capital investment and \$4.91 million in revenue. These projects span a wide range of sectors across the economy and include many industries that pay wages above the state's average.

Product Development (Site Readiness & Strategic Sites Inventory):

- Since the Site Readiness program's introduction to Florida in 2012, 19 properties have been evaluated with a total of 23 properties to be completed by the end of the fourth quarter of 2018. Final reports are provided to the communities with recommendations and support for future business relocation to the sites. Since 2014, the Strategic Sites Inventory (SSI) program has resulted in the discovery or validation of over 1,000 properties (primarily industrial, but some commercial) throughout Florida in DEF and non-DEF served counties.

4. *What percentage of the company's gross annual income was \$3 million in 1995?*

RESPONSE:

0.13%

5. *Please provide the dollar amounts based on gross annual income associated with the following percentages of the company's gross annual revenues:*

- a. 0.175% in 2020;
- b. 0.2% in 2021;
- c. 0.225% in 2022;
- d. 0.25% in 2023.

RESPONSE:

DEF cannot provide projected revenues for 2020-2023 at this time; therefore, the following answers are based on DEF's total projected revenues for 2019.

- a. \$8,466,708
- b. \$9,676,238
- c. \$10,885,768
- d. \$12,095,297

6. *For 2016, 2017, and 2018 to date, what is the percentage of shareholder contribution for economic development under the current rule for the company?*

RESPONSE:

Pursuant to Rule 25-6.0426(3), F.A.C., the shareholder portion of economic development expense was 0% in 2016, 5% in 2017, and will likely be 5% in 2018, plus amounts that were recorded in non-operating income as explained in #3.

7. *Please provide the dollar amount of economic development expenses approved in the company's last rate case. Please also include the order number that approved the economic development expense.*

RESPONSE:

\$720,000 - Order No. PSC-2010-0131-FOF-EI.

8. *Please provide all written agreements entered into in 2016, 2017, and 2018 as required by Rule 25-6.0426(7), F.A.C.*

RESPONSE:

DEF has not signed any such agreements during 2016, 2017, and 2018.

9. *Please provide an excel spreadsheet showing, by year 2016, 2017, and 2018, the monies spent for each rule subsection of Rule 25-6.0246(7)(a): 1. through 8., (b) 1. through 2., and (c) 1. through 11.*

RESPONSE:

Actual ED	2016	2017	Aug YTD 2018
(7)(a) Operational Assistance	\$652,545	\$700,540	\$485,798
(7)(b) Strategic Planning	\$65,103	\$67,203	\$20,600
(7)(c) Marketing & Research	\$52,967	\$50,762	\$159,040
Total	\$770,615	\$818,504	\$665,438